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SUBJECT: NIGERIA: CODEL BERMAN MEETING WITH VICE PRESIDENT
GOODLUCK JONATHAN

Classified By: Ambassador Robin R. Sanders, reasons 1.4 (b & d)

¶1. (SBU) Summary: Codel Berman discussed bilateral relations, Zimbabwe, regional peacekeeping, the situation in the Niger Delta, and prospects for economic growth with Vice President Goodluck Jonathan. The Vice President lauded bilateral relations and called for increased investment in Nigeria by American companies. He lamented the situation in Zimbabwe and expressed the determination of the GON to continue support of peacekeeping efforts, including in Somalia, while asking for U.S. support for Nigerian troops involved in peacekeeping. He described the conflict in the Niger Delta as 30 percent driven by people with legitimate grievances, while 70 percent is now attributable to criminality. He welcomed U.S. support to GON efforts to confront its challenges in the Delta Region. Jonathan presented a very optimistic (and unrealistic) timetable for holding a Niger Delta Summit with ensuing positive results. The Vice President stated that Nigeria could experience sustained strong economic growth if it could resolve the problems in the Delta, ensure adequate infrastructure, and develop the country's agricultural potential. End summary.

¶2. (U) A House of Representatives Delegation led by Committee on Foreign Affairs Chairman Howard Berman, including Representatives George Miller, Ed Royce, Tom Davis, Donald Payne and Linda Sanchez, met with Vice President Goodluck Jonathan in Abuja on June 28. Ambassador, HFAC Senior Staff and EconCouns (notetaker) were also present. Jonathan was serving as Acting President as President Yar'Adua had just departed for the African Union Summit. He was accompanied in the meeting by the heads of the Nigerian House and Senate committees on foreign affairs and the President's Liaison to the National Assembly, along with officials of various ministries including Agriculture and Health.

Bilateral Relations Are Good; More U.S. Investment Sought

¶3. (SBU) Chairman Berman began by welcoming the Vice President's thoughts on bilateral relations, recognizing Nigeria's contributions to regional peacekeeping, and welcoming recent GON statements on Zimbabwe. The Vice President stated that the GON places great importance on relations with the U.S. He expressed appreciation on behalf of President Yar'Adua for the reception the latter received during his visit to the U.S. in December. He also expressed appreciation to the U.S. for debt relief and ongoing assistance, and thanked the Ambassador for her strong engagement with Nigeria. He and his colleagues expressed appreciation for the PEPFAR program and other USG efforts in the health sector. The Ministry of Health representative specifically expressed appreciation for USAID and CDC

capacity building efforts, including at hospitals and universities. The Vice President also commented within the bilateral framework that the GON was "not too comfortable" with U.S. travel warnings about Nigeria. He stated that the security concerns, particularly in the Niger Delta, were real, but asked for a "balanced reaction" from Nigeria's foreign friends.

14. (SBU) Responding to the Chairman's request for comments on how relations could be improved, the Vice President called for additional investment by American companies. He noted the presence of American petroleum exploration and development and service companies, and asked the Codel to encourage those companies and others to invest in additional areas, including some in-country production of equipment for the petroleum sector. He said that such investment could have a positive impact in the Niger Delta, creating both direct and indirect employment opportunities. At present, less than 10 percent of investment in petroleum exploration and development is invested locally. The Vice President said that President Yar'Adua had spoken with many companies in the U.S., but talk of investment had not progressed into action. Power and transportation, including rail, were major opportunities for U.S. businesses to invest in Nigeria.

Zimbabwe

15. (SBU) The discussion then turned to Zimbabwe with Jonathan lamenting the current political situation, noting that the AU would be taking up the issue. He said, "We know what Mugabe has done for the country and his people in the

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past," but now it was time for leaders in the region to come together for the sake of the people of Zimbabwe to address present day issues.

Regional Peacekeeping

16. (SBU) Representative Payne praised Nigeria's tradition of support for regional peacekeeping and urged involvement in Somalia, in part to avoid having troops from neighboring countries involved. The Vice President expressed the determination of the GON to continue support for peacekeeping efforts, including in Somalia, while asking for U.S. assistance for Nigerian troops. He noted specifically the need for infrastructure support, training and other assistance in order for Nigerian soldiers to go to Somalia.

Situation in the Niger Delta

17. (C) Jonathan described the present conflict in the Niger Delta as 30 percent driven by people with legitimate grievances and 70 percent attributable to criminality. He said the GON was struggling to address the issues giving rise to conflict. He reported on plans to hold a major Niger Delta Summit with all stakeholders as soon as possible. His goal was to see the situation addressed properly and achieve concrete progress before the end of the year, including reductions in underlying tensions, hostage taking and attacks on facilities. He welcomed any and all related support from the U.S. and said the GON would provide the USG any information on the situation it requested. In response to a request from Representative Royce about needs and capabilities to pursue criminal elements, including assets for the Navy, Jonathan said that Nigeria "definitely needed USG assistance to handle the criminal element." He said what had started as community agitation "against unacceptable actions by oil companies and a lack of amenities" had developed into a situation dominated by criminal activity, including illegal bunkering. He said there were people involved in the conflict who were not Nigerian citizens, particularly arms dealers "who are well-known to your security system," and asked that the U.S. help "break the link to the supply of illegal weapons." At the same time, he said he had visited some militant camps and seen other

aspects of the situation first-hand, adding: "you can't just crush the problem through force of arms." He acknowledged the GON was in need of sea and shallow water-capable ships and boats to control arms smuggling and other aspects of criminality.

¶8. (C) In response to Representative Berman's question regarding a date for the Niger Delta Summit, the Vice President presented a very optimistic timetable and predicted positive results. He said a major goal of the proposed Summit was to limit the amount of force needed to deal with the criminal elements. His goal was to have the Consultative Steering Committee (CSC), which would be led by UN Envoy Professor Gambari, take place by July 10. The Committee would then pick the date for the Summit, but the Vice President predicted the Summit would take place during the third or fourth week of July. He said the CSC would be given the freedom to create dialogue with the ethnic communities and stakeholders.

Economic Prospects

¶9. (SBU) Jonathan stated that Nigeria could realize sustained high growth rates if it could resolve the problems in the Delta, ensure adequate infrastructure throughout the country, and develop Nigeria's agricultural potential. It was important to create value-added production, including processing of agricultural products. Electric power remained a major problem. Small and medium enterprises were consequently dying out, though SME's were vitally needed for job creation and development of the middle class. Part of the solution to the power challenge had to be a move away from public sector dominance of generation, transmission and distribution.

Private Sector Discussions

¶10. (C) The Codel was able to have in-depth private sector briefings on the investment climate following the meeting with Vice President Jonathan. While there was plenty of good

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news in the economic outlook, security for oil and gas operations was a repeated concern, as was the government's will to resolve the electric power problem. The unresolved Delta problem continues to overshadow high-growth prospects. When Chairman Berman noted to international oil company representatives that some government officials had claimed that the Niger Delta crisis was the fault of the IOC's due to their lack of support for economic development in local communities, the IOC reps rejected that argument as "rubbish," and pointed out that only six percent of development funds are supposed to come directly from the IOC's, with the federal, state and local governments having the bulk of the cash flow and thus the primary development responsibility.

¶11. (C) Comment: Although the Mission rarely deals within the Vice President's Office, he clearly demonstrated his ability to present his optic on the issues in the Niger Delta, regardless of whether misguided in terms of deliverables in either the short or long term, to resolve the conflict. He clearly presented an overly rosy estimate for near-term progress in the Delta, and has done little to bring the parties together around a coherent strategy. Jonathan met with governors from the Delta region the day after his meeting with the Codel. News reports since have relayed that at least some of the governors and a variety of other opinion leaders are less than enthusiastic toward the federal government's summit initiative including the appointment of UN Envoy Gambari. Unfortunately, those who benefit from the conflict and accompanying criminality have little incentive to work toward a solution. The same weekend that Jonathan was meeting with the Codel and then the governors, there was another reported attack on a Shell operation, further punctuating how far off the GON is from addressing or

resolving the issues. End Comment.

¶12. (U) This cable was cleared by Codel Berman staff.
SANDERS